Last-minute switch would serve one oil refinery — and environmentalists are crying foul

IN SUMMARY

The lawmaker behind the swap says he's leveling the playing field between big and small companies. Opponents say he's doing a political favor.

Update, Sept. 13, 2019: Late Friday, not long before the Legislature was to adjourn, an author of the bill that is explained in this article withdrew the measure from consideration.

With a bit of 11th-hour legislative magic, state lawmakers have taken a bill related to volunteer firefighter reimbursements and — poof! — transformed it into what opponents are calling a political gift to Kern Oil & Refining Co.

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In its rewritten form, the bill, authored by Democratic Assemblyman Rudy Salas of Bakersfield, would exempt certain small refiners from a state requirement to monitor potentially harmful emissions near their facilities.

Salas told a Senate’s environmental committee Wednesday that the measure is simply intended to level the playing field between big and small facilities and to protect jobs in an economically needy part of the state.

The reworked bill “is meant to address the unintended consequences of previous legislation.” That measure, he said in a subsequent email to CalMatters, “put an unequal burden on small refineries like Kern Oil in Bakersfield by requiring them to institute the same new emissions testing as large-scale, multinational refineries in urban centers.”

“Air quality is extremely important to us in the Central Valley,” said Sen. Melissa Hurtado, a Democrat from the Fresno County town of Sanger, who is helping to usher the bill through the Senate. “But jobs (are) also important to us.”
Environmental groups are calling the new proposal a sneak attack by a politically connected polluter — the Kern County refinery — and an abuse of the state lawmaking process to weaken California air-quality law.

“I think they’re hoping that nobody has time to fact-check them so that they can rush something through that is going to hurt communities,” said Katie Valenzuela of the California Environmental Justice Alliance.

William Barrett, a lobbyist for the American Lung Association in California, concurred. “This is a last-minute effort to exempt an oil refinery in the most polluted county in the United States,” he said.

Salas’ new proposal is backed by Kern Oil & Refining, a relatively small operation in Bakersfield’s rural southeast and a constituent of the lawmaker. Other supporters are the state building-trades union and the mayor of Bakersfield. Sen. Shannon Grove, the GOP leader in the Senate who represents Bakersfield, is a coauthor.

With just three days left in the legislative calendar, Salas performed some legislative jiujitsu known as a “gut and amend”: stripping and rewriting a bill that had been left for dead, in hopes of pushing the new proposal through the lawmaking process before adjournment Friday at midnight.

Because California law requires bills to be finalized and published 72 hours before being sent to the governor, all amendments — including dramatic changes like this one — had to be made before midnight Tuesday. The rewritten bill was published Tuesday at 7:26 pm.

The new proposal would exempt Kern Oil & Refining from the monitoring requirement, which is set to take effect January 1.

The measure is opposed by many of the state’s major environmental and public health organizations, including the Earthjustice, Greenpeace and the Sierra Club.

The California Air Pollution Control Officers Association is another opponent, saying the bill “could result in lesser public health protections for disadvantaged and low-income communities.”
Jennifer Haley, president of Kern Oil & Refining, told the committee the company’s cost for monitoring would be $1.5 million to $3 million.

“We got caught up in legislation that was never intended to apply to us,” she added.

That came as news to Assemblyman Al Muratsuchi, the Torrance Democrat who wrote the original air-monitoring bill. “The intent of the bill was to cover all communities surrounding refineries,” he told CalMatters.

Salas’ bill would exempt any refinery that processes less than 55,000 barrels of crude oil per day and is “located within a community that has a population of less than 3,000 residents within one mile of the refinery.” That describes only one refinery in California, according to a spokesman for Salas.

The Kern refinery is located across a highway from Fuller Acres, an unincorporated community of 872 people. According to the most recent census data, the median income there is $32,738, and 33% of residents live below the federal poverty line. Forty percent of the population is younger than 18.

Kern Oil and Refining gave $3,500 to Salas’ reelection campaign last year, though it also donated $2,500 to his opponent.

The California Independent Petroleum PAC, which is funded by the state’s independent refiners, has given more than $400,000 to state legislators in the last three years. Of that, $11,300 has gone to Salas and $4,650 to Hurtado.

The Senate environmental committee passed the bill, which means it can be taken up by the Senate, and then the Assembly for a final vote, Friday evening after 7:26 p.m.